

**ISAE 3402 Report
Simplover Solutions AS
Public version**

1. July 2021 – 30. June 2022

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1 Initial comments

Simpleyer Solutions AS is the license owner in the agreement with the customers, and Simpleyer Solutions AS will therefore be the subject of the audit for compliance. Simpleyer Solutions AS does however not have any employees and hires all services from Simpleyer AS and Simpleyer AB to fulfill its commitments towards the customers.

The companies, Simpleyer Solutions AS, Simpleyer AS and Simpleyer AB are from here on jointly named "Simpleyer".

2 Service Auditor's Assurance Report

a. 2.1 Scope

PricewaterhouseCoopers AS (PwC) have been engaged to report on Simpleyer Solution AS (Simpleyer) description of Simpleyer System for processing customer's transactions and information throughout the period 1. July 2021 to 30. June 2022, and on the design and operation of controls related to the control objectives stated in the description.

b. 2.2 Simpleyer's Responsibilities

Simpleyer is responsible for: preparing the description and accompanying statement in chapter 3, including the completeness, accuracy and method of presentation of the description and statement; providing the services covered by the description; stating the control objectives; and designing, implementing and effectively operating controls to achieve the stated control objectives.

c. 2.3 Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies the International Standard on Quality Control and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

d. 2.4 Service Auditor's Responsibilities

Our responsibility is to express an opinion on Simpleyer's description, and the design and operation of controls related to the control objectives stated in that description, based on our procedures. We conducted our engagement in accordance with International Standard on Assurance Engagements 3402, *Assurance Reports on Controls at a Service Organization*, issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the description is fairly presented, and the controls are suitably designed and operating effectively.

An assurance engagement to report on the description, design and operating effectiveness of controls at a service organization involves performing procedures to obtain evidence about the disclosures in the service organization's description of its system, and the design and operating effectiveness of controls. The procedures selected depend on the service auditor's judgment, including the assessment of the

risks that the description is not fairly presented, and that controls are not suitably designed or operating effectively. Our procedures included testing the operating effectiveness of those controls that we consider necessary to provide reasonable assurance that the control objectives stated in the description were achieved. An assurance engagement of this type also includes evaluating the overall presentation of the description, the suitability of the objectives stated therein, and the suitability of the criteria specified by the service organization.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

e. 2.5 Limitations of Controls at Simployer

Simployer's description is prepared to meet the common needs of a broad range of customers and their auditors and may not, therefore, include every aspect of the system that each individual customer may consider important in its own particular environment. Also, because of their nature, controls at a service organization may not prevent or detect all errors or omissions in processing or reporting transactions. Also, the projection of any evaluation of effectiveness to future periods is subject to the risk that controls at a service organization may become inadequate or fail.

f. 2.6 Opinion

Our opinion has been formed on the basis of the matters outlined in this report. The criteria we used in forming our opinion are those described in chapter 5. In our opinion, in all material respects:

- a) The description fairly presents the Simployer System as designed and implemented throughout the period from 1. July 2021 and 30. June 2022;
- b) The controls related to the control objectives stated in the description were suitably designed throughout the period from 1. July 2021 and 30. June 2022 and
- c) The controls tested, which were those necessary to provide reasonable assurance that the control objectives stated in the description were achieved, operated effectively throughout the period from 1. July 2021 and 30. June 2022.

g. 2.7 Description of Tests of Controls

The specific controls have been tested and the nature, timing and results of those tests are listed in chapter 5.

h. 2.8 Intended Users and Purpose

This report and the description of tests of controls in chapter 5 are intended only for customers who have used Simployer System, and their auditors, who have a sufficient understanding to consider it, along with other information including information about controls operated by customers themselves, when assessing the risks of material misstatements of customers' use of Simployer System.



PricewaterhouseCoopers AS

Oslo, 10. October 2022

Geir Haglund
Partner
(*Digital signature*)

3 Statement by the Service Organization

The accompanying description has been prepared for customers who have used Simployer (Simployer System), and their auditors who have a sufficient understanding to consider the description, along with other information including information about controls operated by customers themselves, when assessing the risks of misinformation.

Simployer Solutions AS confirms that:

(a) The description fairly presents the Simployer System throughout the period 1. July 2021 and 30. June 2022.

The criteria used in making this statement were that the description:

(i) Presents how the system was designed and implemented, including:

- The procedures, within both information technology and manual systems, by which those transactions were initiated, recorded, processed, corrected as necessary, and transferred to the reports prepared for customers.
- The process used to prepare reports for customers.
- Relevant control objectives and controls designed to achieve those objectives.
- Controls that we assumed, in the design of the system, would be implemented by user entities, and which, if necessary to achieve control objectives stated in the accompanying description, are identified in the description along with the specific control objectives that cannot be achieved by ourselves alone.
- Other aspects of our control environment, risk assessment process, information system (including the related business processes) and communication, control activities and monitoring controls that were relevant to processing and reporting customers' transactions.

(ii) Includes relevant details of changes to the service organization's system during the period 1. July 2021 and 30. June 2022.

(iii) Does not omit or distort information relevant to the scope of Simployer, while acknowledging that the description is prepared to meet the common needs of a broad range of customers and their auditors and may not, therefore, include every aspect of the system that each individual customer may consider important in its own particular environment.

(b) The controls related to the control objectives stated in the description were suitably designed and operated effectively throughout the period 1. July 2021 and 30. June 2022. The criteria used in making this statement were that:

(i) The risks that threatened achievement of the control objectives stated in the description were identified;

(ii) The identified controls would, if operating as described, provide reasonable assurance that those risks did not prevent the stated control objectives from being achieved;

and

(iii) The controls were consistently applied as designed, including that manual controls were applied by individuals who have the appropriate competence and authority, throughout the period 1. July 2021 and 30. June 2022.

Sarpsborg, 10. October 2022

Daniel Gulestø
CFO, Smployer Solutions AS
(*Digital signature*)

4

PricewaterhouseCoopers testing of Simployer's key controls

The system description of Simployer System includes implemented controls to ensure that customer information is managed in a secure and appropriate way

Simployer has performed a risk assessment as a basis for implementing an internal control system and thus to be able to keep the risk at an acceptable level. A central element in the internal control system is general IT-controls (ITGC), securing customer information related to confidentiality, integrity and availability.

Thus, PwC has based the audit on testing relevant ITGCs to test Simployer's internal control.

This chapter contains control objectives and related control activities defined by Simployer, and the description of test result from PwC related to operational effectiveness of the control activities.

a) *Control objectives*

The control objectives describe the purpose and objectives of the control activities related to each control objective. The general IT-controls (ITGCs) control objectives are defined based upon the risk evaluation performed by Simployer related to the Simployer System. COBIT 4.1 has been used developing the control objectives.

b) *Control description*

Control description describes the procedures and controls implemented by Simployer. The control descriptions have to meet the control objectives.

c) *Test results*

PwC has performed examinations of the operating effectiveness of the controls for the whole audit period. The testing has been performed by interviews, observations and inspections of actual documentation to confirm the operating effectiveness of the controls throughout the period.

d) *Conclusion*

Chapter 5 shows the deviations the audit has revealed.

Performed tests

Tests performed in connection with determining the effectiveness of controls are described below:

Inquiries: Inquire of appropriate Simployer personnel. Inquiries were used to obtain, among other things, knowledge and additional information about the control.

Inspection: Read documents and reports that contain an indication of performance of the control. This includes, among other things, reading reports and other documentation.

Observation: Observed the application of a specific control.

Purpose and goals

The operation activities in Simployer are developed mainly with Cobit 4.

5 Summary of the tests performed by PwC

The testing performed by PwC is based upon the risk assessment and development of an internal control system using the Cobit 4 methodology. The controls cover i.a. information architecture, system security, change management, access management, protection of privacy, disaster recovery, backup controls.

For 21 controls the conclusion is – No deviations. The 3 controls with deviations are related to:

1. Kristiansund (Time & Plan modules) has not as per 30. June 2022 obtained necessary documentation from their subcontractors to proof their compliance to the demands in the DPA. (referring to 2 separate controls)
2. A process to monitor, assess, and address the impact on privacy requirements based on a new application to improve the update and monitoring has to be deployed

All deviations are followed up and Simployer Solutions AS will perform an on-going follow up.

ISAE 3402 - Offentlig rapport

Signers:

<i>Name</i>	<i>Method</i>	<i>Date</i>
Haglund, Geir	BANKID_MOBILE	2022-10-10 15:27
Gulestø, Daniel Mothes	BANKID_MOBILE	2022-10-10 22:40

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